PREPARED BY: DATE PREPARED: PHONE: Doug Gibbs February 15, 2017 402-471-0051

LB 597

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT — STATE AGENCIES (See narrative for political subdivision estimates)									
	FY 2017-18		FY 2018-19						
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE					
GENERAL FUNDS									
CASH FUNDS									
FEDERAL FUNDS									
OTHER FUNDS									
TOTAL FUNDS									

Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.

LB 597 amends Nebraska Revised Statutes Section 18-2147 to add language requiring any governing body seeking to use tax-increment financing (TIF) must submit an application to the county assessor. The application is to be on a form prescribed by the Tax Commissioner and contain information that allows the Tax Commissioner to determine the eligibility of the governing body, the redevelopment plan, and the parcel or parcels of land for tax-increment financing. The application including a fee, determined by the Tax Commissioner, is to be forwarded by the county assessor to the Tax Commissioner. The Tax Commissioner has 45 days to approve or deny the application.

The Department of Revenue indicates no fiscal impact to the General Fund as a result of the provisions of LB 597.

The Department of Revenue indicates that the cost to implement LB 597 will be minimal.

We have no basis to disagree with the Department of Revenue's estimate of fiscal impact or cost.

LB 597 Fiscal Note 2017

State Agency Estimate									
of Revenue				Date Due LFA:	2/16/2017				
	Date Prepared:	2/10/2017		Phone: 471-5896					
FY 2017-2018		FY 2018-2019		FY 2019-2020					
Expenditures	Revenue	Expenditures	Revenue	Expenditures	Revenue				
	\$ 0	1	\$ 0		\$ 0				
				·					
	\$ 0		\$ 0		\$ 0				
		of Revenue Date Prepared: FY 2017-2018 Expenditures Revenue \$ 0	The Revenue Date Prepared: 2/10/2017 FY 2017-2018 FY 2018 Expenditures Expenditures \$ 0 \$ 0 \$ 0 \$ 0	The Revenue Date Prepared: 2/10/2017 FY 2017-2018 FY 2018-2019 Expenditures Revenue Expenditures Revenue \$ 0 \$ 0 \$ 0	Of Revenue Date Due LFA: Date Prepared: 2/10/2017 Phone: 471-5896 FY 2017-2018 FY 2018-2019 FY 20 Expenditures Revenue Expenditures Expenditures \$0 \$0 \$0 \$0 \$0 \$0				

LB 597 amends Neb. Rev. Stat. § 18-2147 to provide that any governing body seeking to use Tax Increment Financing (TIF) must submit an application to the county assessor, on a form prescribed by the Tax Commissioner and accompanied by a fee.

After determining that the application is legitimate, the county assessor will forward the application and fee to the Tax Commissioner. The application will be reviewed by the Tax Commissioner to ensure that the redevelopment plan is eligible for TIF. Within 45 days of receipt, the Tax Commissioner will grant or deny the application. Upon approval, the application will be returned to the county assessor with approval for the TIF to be implemented. If denied the Tax Commissioner must provide a report to the county assessor with the reasons for the denial, including an explanation of any statutory or constitutional provisions that were the basis for denial. Within 30 days of receipt of the denial, the governing body may appeal. Decisions of the Tax Commissioner may be appealed to the Tax Equalization and Review Commission within 30 days of the date of the order.

It is estimated that this bill will have no impact on General Fund revenues.

It is estimated that there will be minimal costs to the Department to implement this bill.

The operative date of this bill is September 1, 2017.

Major Objects of Expenditure								
Class Code	Classification Title	17-18 <u>FTE</u>	18-19 <u>FTE</u>	19-20 <u>FTE</u>	17-18 Expenditures	18-19 Expenditures	19-20 Expenditures	
Benefits								
Operating Costs	Operating Costs Travel							
Capital Outlay								
AidCapital Improvements								
Total								